99th Congress, 2d Session - - - - - - - - - - - House Document 99-194

REVIEW OF RESCISSIONS AND DEFERRALS

COMMUNICATION

FROM

THE COMPTROLLER GENERAL OF THE UNITED STATES

TRANSMITTING

A REVIEW OF THE RESCISSIONS AND DEFERRALS TRANSMITTED IN THE MESSAGE FROM THE PRESIDENT DATED FEBRUARY 5, 1986 (H. DOC. 99-161), PURSUANT TO 2 U.S.C. 685

APRIL 10, 1986.—Referred to the Committee on Appropriations and ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

71-012 O WASHINGTON : 1986

H180-26

COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

April 8, 1986

B-220532

The Honorable Thomas P. O'Neill, Jr.
Speaker of the House of Representatives

Dear Mr. Speaker:

On February 5, 1986, the President's third special message for fiscal year 1986 was submitted to the Congress pursuant to the Impoundment Control Act of 1974. In order to give the Congress timely information on impoundments, we reported earlier on four deferrals and one rescission proposal of the third special message. On February 25, 1986, we reported on D86-37; on March 11, 1986, we reported on R86-67, D86-53, D86-38, and D86-35. Our report on the remainder of the third special message follows:

DEPARTMENT OF COMMERCE

R86-14 Economic Development Administration
Economic development assistance programs
Proposed for rescission: $101,309,000
1362050 13X2050

In addition to the $101,309,000 proposed for rescission, the President is deferring $40,000,000 in this account, pending congressional action on his proposal to terminate certain economic development assistance programs. See D86-36. The $40,000,000 is proposed for reappropriation to administer outstanding grants and loans in the terminated programs.

R86-17 National Telecommunications and Information Administration
Public telecommunications facilities, planning and construction
Proposed for rescission: $21,820,000
13X0551

The most recent apportionment schedule for this account shows an anticipated $500,000 in recoveries of prior year obligations. The total budgetary resources are, therefore, $26,618,053, rather than the $26,118,053 reported in the message.

GAO/OGC-86-9

DEPARTMENT OF HEALTH AND HUMAN SERVICES

R86-43 Health Care Financing Administration
Program management
Proposed for rescission: $912,000
75660511

In addition to the $912,000 proposed for rescission, the President in this message is reporting a deferral of $8,489,000 in this account. See D86-57.

The total budgetary resources reported for this account does not include $537,648 of anticipated reimbursements.

DEPARTMENT OF THE INTERIOR

R86-59 National Park Service
Land acquisition and State assistance
Proposed for rescission: $83,917,000
14X5035

This account is the subject of a subsequent deferral of $1,893,000, reported in the President's fourth special message, March 12, 1986, as D86-64.

OFFICE OF PERSONNEL MANAGEMENT

R86-73 Government payment for annuitants, employees health benefits
Proposed for rescission: $600,000,000
24X0206

Because of an extraordinary excess of reserves in the Federal Employees Health Benefits Program, the Office of Personnel Management and a number of health plans decided to refund excess reserves to enrollees and the government. Rescission Proposal No. R86-73 proposes to rescind $600 million, the amount of the government's share of the refund. Recent GAO audit work concludes, however, that the government's share is $572 million, $27 million less than that proposed for rescission. Report to the Chairman, Committee on Post Office and Civil Service, House of Representatives,

"Insurance Refunds: Allocation Inequities in the Federal Employees Health Benefits Program," GAO/HRD-86-52, January 27, 1986.

UNITED STATES RAILWAY ASSOCIATION

R86-79 Administrative expenses
Proposed for rescission: $640,000
98X0100

In his justification for this rescission proposal, the President states that the United States Railway Association (USRA) has completed all activities it was created to perform. The rescission would eliminate all funding for and terminate USRA by May 1, 1986.

One USRA function is to provide the Congress independent, expert advice regarding the sale by the United States of its 85 percent interest in Conrail. It is unlikely that the Congress will complete action on pending Conrail legislation before May 1, 1986, when the President would terminate USRA. The Department of Transportation, according to the message, would absorb USRA's oversight of Conrail and other parties participating in the proposed sale of Conrail. We believe that if USRA is terminated before the sale legislation is enacted, the Congress will not receive the independent, expert advice it needs in its consideration of that legislation.

FUNDS APPROPRIATED TO THE PRESIDENT

D86-32 International Security Assistance
Foreign military sales credit
Amount deferred: $4,590,000,000
1161082

OMB's latest cumulative report, dated March 10, 1986, indicates that $1,545,770,000 of the deferred amount has been released by OMB. The current amount shown in that report as deferred is $3,044,230,000.

D86-24A International Security Assistance
Economic support fund
Amount deferred: $3,158,276,343
115/71037 11X1037 115/61037 1161037

According to OMB's cumulative report dated March 10, 1986, $407,271,000 of the amount deferred has been released for obligation by OMB. The amount now shown in that report as deferred is $2,751,005,343.

D86-33 International Security Assistance
Military assistance program
Amount deferred: $661,350,000
1161080

OMB's cumulative report, dated March 10, 1986, indicates that $172,815,000 of the amount deferred has been released by OMB. Accordingly, the amount shown in that report as deferred is now $488,535,000.

D86-34 International Security Assistance
International military education and training
Amount deferred: $27,244,500
1161081

OMB's cumulative report, dated March 10, 1986, indicates that the entire amount reported as deferred has been released for obligation by OMB.

DEPARTMENT OF COMMERCE

D86-36 Economic Development Administration
Economic development assistance programs
Amount deferred: $40,000,000
1362060

In the justification for this deferral, the President indicates that his fiscal year 1987 budget proposes termination of the Economic Development Administration. (In conjunction with this proposal, the President proposes to rescind $101,309,000 from this account. See Rescission Proposal No. R86-14.) A new office, the Grants and Loans Administration, would be created in the Office of the Secretary of Commerce to close out and monitor outstanding grants and loans. The President reports that these funds are being deferred pending congressional action on the termination proposal. The $40,000,000 would be available for reappropriation to the new Grants and Loans Administration to administer outstanding grants and loans in the terminated programs.

D86-25A National Oceanic and Atmospheric Administration
Fisheries loan fund
Amount deferred: $2,297,436
12X5123

The justification for this deferral states that the President's fiscal year 1987 budget proposes to transfer $1.8 million from the fisheries loan fund to the National Oceanic and Atmospheric Administration's (NOAA) operations, research and facilities account. NOAA officials told us that the $1.8 million figure is now incorrect. As a result of actual recoveries of prior year obligations, the fund's balance is $2,297,436. The budget proposal, according to NOAA and OMB officials, would transfer the entire balance to NOAA's operations account.

DEPARTMENT OF DEFENSE - MILITARY

D86-4A Military Construction
Amount deferred: $1,841,658,456

OMB's cumulative report, dated March 10, 1986, indicates that $558,509,000 of the amount deferred has been released by OMB. Accordingly, the amount shown in that report as deferred is now $1,283,149,456.

DEPARTMENT OF DEFENSE - CIVIL

D86-5A Wildlife Conservation, Military Reservations
Wildlife Conservation, Army, Navy, Air Force
Amount deferred: $1,255,940
21X5095 17X5095 57X5095

OMB's cumulative report, dated March 10, 1986, shows that $17,000 of the amount deferred has been released by OMB. Accordingly, $1,238,940 is now shown in that report as deferred.

DEPARTMENT OF ENERGY

D86-6A Energy Programs
Fossil energy research and development
Amount deferred: $64,812,000
89X0213

Of the funds appropriated for fossil energy research and development, the Continuing Appropriations Act for fiscal year 1986, Pub. L. No. 99-190, 99 Stat. 1185, December 19, 1985, provides that $29 million is to be available for implementation of a multiyear magnetohydrodynamics (MHD) program. (MHD is a technique for burning coal and other fuels to produce electric power with greater efficiency.) This deferral includes $13,130,000 of the budget authority appropriated for the MHD program. The President's message includes this $13 million with other deferred fossil energy research and development funds, but the MHD program is in effect a line item.

Although the funds are not yet being withheld, the Department has advised that its funding of MHD research will be suspended, as a consequence of this deferral, on April 20. Section 1015(b) of the Impoundment Control Act, 2 U.S.C. § 686(b), authorizes the Comptroller General to reclassify as rescissions those deferrals which he believes the President has incorrectly classified. For the reasons discussed below, we are reclassifying as a rescission proposal the $13,130,000 of MHD funds reported by the President in this message as deferred. We are notifying the Secretary of Energy of this and will monitor the Department's actions. The 45 legislative day period after which the funds must be released will end, based on the current congressional schedule, on May 30, 1986.

The President proposes to use the deferred MHD funds, along with the other $51,682,000 reported as deferred, to offset fiscal year 1987 fossil energy research and development appropriation requirements. Legislation removing the limitation earmarking the MHD funds is required before they may be used for some other purpose. The President's 1987 budget proposes legislative language to make the earmarked MHD funds available for any fossil energy research and development activity.

As a general matter, we have held that a deferral of funds, as opposed to a rescission, is proper for the purpose

of giving the Congress time to consider a request for legislation to transfer the funds to another account. However, when it appears reasonably certain that the result of the withholding, whether intended or not, will be that the funds can never be used for the intended purpose, the withholding pending legislative transfer is more akin to a rescission. This is the case with MHD: the highly specialized nature of MHD research and the limited number of qualified researchers will effectively preclude reassembling research teams, once lay-offs have resulted in the dispersal of researchers. Hence, resuming MHD research in anything resembling the current form, upon congressional disapproval of the deferral or rejection of the transfer proposal, is unlikely. Moreover, because the MHD program is funded by a line-item appropriation, the funds cannot be used for other fossil energy research and development projects.

D86-8A Energy Programs
Naval Petroleum and Oil Shale Reserves
Amount deferred: $166,465,981
89X0219

OMB's cumulative report dated March 10, 1986, indicates that $130,005,000 of the amount deferred has been released for obligation by OMB. Accordingly, $36,460,981 is now shown in that report as deferred.

D86-11A Energy Programs
Alternative Fuels Production
Amount deferred: $1,898,713
89X5180

OMB's cumulative report, dated March 10, 1986, indicates that all funds reported as deferred have been released by OMB.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

D86-57 Health Care Financing Administration
Program management
Amount deferred: $8,489,000
7560511

The deferred amount is part of a sum of $1,176,785,000 to be transferred, in accordance with the Department of Health and Human Services Appropriations Act for fiscal year 1986, Pub. L. No. 99-178, to this account from the Federal Hospital

Insurance and the Federal Supplementary Medical Insurance Trust Funds. The message explains that the deferred funds are being withheld pending congressional action on the President's proposal to reduce legislatively the amount of the transfer. Because the Appropriations Act requires obligation of the $8,489,000 by the end of fiscal year 1986, we intend to reexamine this deferral to assure that the funds are timely transferred and obligated if the Congress does not act to reduce the amount of the transfer.

In addition to this deferral, the President proposes in this message to rescind $912,000 from this account. See Rescission Proposal No. R86-43.

The total budgetary resources reported for this account do not include $537,648 of anticipated reimbursements.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

The message does not present clearly the status of the budget authority for six of the Department of Housing and Urban Development (HUD) programs subject to impoundment. Some funds reported as deferred are also included in rescission proposals. To eliminate any confusion regarding these impoundments, we have prepared Table 1, which sets forth the current status of the HUD accounts that are subject to the reported impoundments.

One of the deferrals, D86-41, is the subject of pending litigation. Recently, two lawsuits were filed in the U.S. District Court for the District of Columbia, one initiated by several members of Congress, the National League of Cities and others against the Director of the Office of Management and Budget and the Secretary of Housing and Urban Development, the other by the City of New Haven, Connecticut, against the United States. The plaintiffs argue, among other things, that the one-House disapproval of deferrals provided for in the Impoundment Control Act is unconstitutional; that the disapproval is not severable from the President's authority to defer; and therefore that these and all other deferrals under the Act are unconstitutional. (New Haven makes other legal arguments as well.) The plaintiffs seek an order requiring that the funds be made available.

TABLE 1

HUD PROGRAMS	Am't reported in 3rd message as deferred	Current withholding (a) deferred (b) proposed for rescission	Justification for current deferral
Annual contributions for asst'd housing--budget authority	D86-41. $7,032,442,637	(a) D86-41. $2,300,805,630 (b) R86-52. $4,269,880,642	To finance 1987 housing program
Annual contributions for asst'd housing--contract authority	D86-42. $640,533	(a) 0 (b) R86-52. $640,533	
Rental housing development grants	D86-43. $77,400,000	(a) 0 (b) R86-52. $73,855,000	
Congregate services program	D86-44. $2,670,300	(a) 0 (b) R86-53. $2,555,477	
Rental rehabilitation grants program	D86-47. $77,000,000	(a) 0 (b) R86-52. $71,775,000	
Urban development action grants	D86-49. $251,000,000	(a) 0 (b) R86-55. $220,061,959	

Five of these deferrals had already ceased at the time of the message. The President explains that funds were temporarily deferred pending determinations made under the Balanced Budget and Emergency Deficit Control Act, Title II, Pub. L. No. 99-177, 99 Stat. 1038 (Balanced Budget Act). After the sequestration process concluded, the President proposed rescinding the deferred funds, less the Balanced Budget Act sequestrations. OMB and agency officials told us that the rescission proposals reflect the current withholding.

In the sixth account, "Annual contributions for assisted housing - budget authority," funds were also deferred temporarily pending Balanced Budget Act determinations. After the sequestration was made, only part of the deferred funds were proposed for rescission; $2.3 billion remains deferred. The President proposes to use this money to finance the housing program in 1987.

OMB's latest cumulative report, dated March 10, 1986, shows, incorrectly, that the sequestered amounts in three accounts continue to be deferred:

D86-41.	Annual contributions for assisted housing -- budget authority	$422,070,030
D86-43.	Rental housing development grants	3,225,000
D86-44.	Congregate services program	114,823

OMB officials have assured us that these funds are sequestered, not deferred; they explain that HUD simply has not completed processing new apportionment schedules for these accounts to record the sequestration accurately.

One rescission proposal, R86-52, "Rental rehabilitation grants program," is somewhat confusing in that it includes funds from four accounts. Table 2, which follows, enumerates the budget authority for each of these four accounts which is proposed for rescission in R86-52:

TABLE 2. R86-52

--Annual contributions for assisted housing -- budget authority	$4,269,880,642
--Annual contributions for assisted housing -- contract authority	640,533
--Rental housing development grants	73,855,000
--Rental rehabilitation grants program	71,775,000
	$4,416,151,175

A typographical error was made when OMB prepared the message. The amount reported in the message, $4,416,131,175, is incorrect. The correct amount, as shown in the apportionment schedules and OMB's March 10 cumulative report is $4,416,151,175. (See also Table 2.)

86-45 Housing Programs
Housing for the elderly and handicapped
Amount deferred: $599,801,000
86X4115

This deferral is the subject of pending litigation filed in the U.S. District Court for the District of Columbia by several members of Congress, the National League of Cities and others against the Director of the Office of Management and Budget and the Secretary of Housing and Urban Development. (See page 8.)

D86-46 Housing Programs
Non-profit sponsor assistance
Amount deferred: $1,000,000
86X4042

OMB's cumulative report, dated March 10, 1986, indicates that $500,000 of the amount reported as deferred has been released by OMB. The amount shown in the report as deferred is $500,000.

D86-48 Community Planning and Development
Community development grants
Amount deferred: $500,000,000
866/80162

This deferral is the subject of two lawsuits pending before the U.S. District Court for the District of Columbia, which were filed by several members of Congress, the National League of Cities, and others against the Director of the Office of Management and Budget and the Secretary of Housing and Urban Development, and by the City of New Haven, Connecticut, against the United States. (See page 8.)

In this deferral, the President reports the withholding of $500,000,000 of loan guarantee authority for the Community Development Grants loan guarantee program. The Impoundment Control Act does not apply to loan guarantee authority. Section 1013(a) of the Act, 2 U.S.C. § 684(a), requires the President to report deferrals of "budget authority." The Act specifically excludes loan guarantee authority from its definition of budget authority, 2 U.S.C. § 622(2).

D86-50 Community Planning and Development
Rehabilitation loan fund
Amount deferred: $135,534,949
86X4036

OMB's cumulative report, dated March 10, 1986, shows that $4,402,000 of the amount deferred has been released by OMB. The report shows $131,132,949 as deferred.

DEPARTMENT OF LABOR

D86-51 Employment and Training Administration
State unemployment insurance and
employment service operations
Amount deferred: $37,000,000
166/70179

For the period July 1, 1986 through June 30, 1987, the Department of Labor's fiscal year 1986 Appropriations Act, Pub. L. No. 99-178, appropriated for state unemployment insurance and employment service operations $22,700,000 from the general fund, and authorized expenditure of up to $769,500,000 from the Employment Security Administration account in the

Unemployment Trust Fund. The President reports a deferral of $37 million of the funds authorized for transfer from the Trust Fund. In his justification, the President states that the $37 million "is deferred pending congressional action on the Administration proposal to delete this funding." The President, with his fiscal year 1987 budget proposal, has transmitted to the Congress a supplemental proposal to reduce by $37 million the amount of funds authorized for transfer from the Trust Fund. Should the Congress agree, the $37 million would, in effect, revert to the Trust Fund and be available for other purposes of the Trust Fund account.

An OMB official indicated that if the Congress does not accept the President's proposal, the funds will be released, probably in March 1987, to assure their obligation by June 30, 1987, as the Appropriation Act requires. We will monitor the actions of the executive branch to assure that the funds are released in a timely manner.

DEPARTMENT OF THE TREASURY

D86-30A Office of Revenue Sharing
Local Government Fiscal Assistance
Trust Fund
Amount deferred: $105,225,851
20X8111

This deferral is the subject of a lawsuit recently initiated by the City of New Haven, Connecticut, against the United States in the United States District Court for the District of Columbia. (See page 8.)

In addition to the amount deferred, the President, in this message, proposes to rescind $759,975,000 of budget authority from this account. (See R86-68.)

COMMISSION ON THE UKRAINE FAMINE

D86-54 Salaries and expenses
Amount deferred: $233,000
48X0050

Total budgetary resources for this account have been reduced by $17,000, the amount sequestered pursuant to the Balanced Budget and Emergency Deficit Control Act.

RAILROAD RETIREMENT BOARD

D86-55 Dual benefits payments account
Amount deferred: $2,201,280
6060111

OMB's cumulative report, dated March 10, 1986, indicates that $2,009,000 of the amount deferred has been released by OMB. The report shows $192,280 as deferred.

U.S. INFORMATION AGENCY

D86-56 Acquisition and construction of radio facilities
Amount deferred: $66,545,364
67X0204

OMB's cumulative report, dated March 10, 1986, indicates that $4,880,000 of the amount deferred has been released by OMB. Agency officials told us that this represents the sequestration made pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. The report shows $61,665,364 as deferred.

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We have reviewed the impoundments reported in the third special message. A copy of the President's listing of those impoundments is enclosed. In some instances, we could not verify information in the message regarding an account's total budgetary resources, because agency officials were unable to reconcile discrepancies between the apportionment schedules and the impoundment message. However, amounts reported as deferred or rescinded are accurate except as noted above.

This report, and our two earlier reports on some impoundments reported in the third special message, provide all information we identified which we believe will be useful to the Congress in its examination of the third special message. Except as identified in these reports, we believe the proposed deferrals are in accordance with existing authority. With regard to the President's rescission proposals, the 45-day

period of continuous session during which the funds may be withheld pending congressional consideration of a rescission bill will end on April 15, 1986.

Sincerely yours,

Milton J. Socolar

Acting Comptroller General
of the United States

Enclosure

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY Original Rescission	Sequester	Current Rescission
	Funds Appropriated to the President			
	Multilateral Assistance			
R86-1	International organizations and programs	51,711	11,951	39,760
	Department of Agriculture			
	Agricultural Stabilization and Conservation Service			
R86-2	Rural clean water program	6,000	0	6,000
R86-3	Agricultural conservation program	140,839	0	140,839
R86-4	Water bank program	8,371	0	8,371
R86-5	Dairy indemnity program	95	0	95
	Rural Electrification Administration			
R86-6	Reimbursement to the Rural electrification and telephone revolving fund for interest subsidies and losses	100,000	0	100,000
R86-7	Purchase of Rural Telephone Bank capital stock	30,000	1,290	28,710
	Farmers Home Administration			
R86-10	Rural development loan fund	13,674	0	13,674
	Soil Conservation Service			
R86-11	Watershed and flood prevention operations	60,401	0	60,401
R86-12	Great plains conservation program	6,606	0	6,606
	Food and Nutrition Service			
R86-13	Food donations program	5,183	0	5,183
	Department of Commerce			
	Economic Development Administration			
R86-14	Economic development assistance programs	109,200	7,891	101,309
	International Trade Administration			
R86-15	Operations and administration	20,000	710	19,290
	National Oceanic and Atmospheric Administration			
R86-16	Operations, research, and facilities	66,604	3,281	63,323
	National Telecommunications and Information Administration			
R86-17	Public telecommunications facilities, planning and construction	22,800	980	21,820
	Department of Education			
	Office of Elementary and Secondary Education			
R86-18	Compensatory education for the			

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as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY Original Rescission	Sequester	Current Rescission
	disadvantaged.....	7,500	323	7,177
R86-19	Special programs.....	40,200	2,418	37,782
	Office of Bilingual Education and Minority Languages Affairs			
R86-20	Immigrant education.....	30,000	1,290	28,710
	Office of Special Education and Rehabilitative Services			
R86-21	Education for the handicapped..	104,688	60,324	44,364
R86-22	Rehabilitation services and handicapped research.....	126,585	51,146	75,439
R86-23	Payments to institutions for the handicapped.....	3,111	2,665	446
	Office of Vocational and Adult Education			
R86-24	Vocational and adult education.	245,962	35,625	210,337
	Office of Postsecondary Education			
R86-25	Student financial assistance...	456,347	0	456,347
R86-26	Higher education.....	193,160	12,278	180,882
	Special Institutions			
R86-27	Howard University.....	6,000	301	5,699
	Office of Educational Research and Improvement			
R86-28	Libraries.....	34,500	1,483	33,017
	Department of Health and Human Services			
	Health Resources and Services Administration			
R86-9	Health resources and services..	211,455	0	211,455
R86-29	Indian health.....	24,262	0	24,262
R96-30	Indian health facilities.....	38,642	0	38,642
	Centers for Disease Control			
R86-31	Disease control, research, and training.....	34,096	0	34,096
	National Institutes of Health			
R86-32	National Cancer Institute.....	6,800	0	6,800
R86-33	National Heart, Lung and Blood Institute.....	11,469	0	11,469
R86-34	National Institute of Diabetes and Digestive and Kidney Diseases.....	7,980	0	7,980
R86-35	National Institute of Neurological and Communicative Disorders and Strokes.....	9,554	0	9,554
R86-36	National Institute of Allergy and Infectious Disease.....	1,513	0	1,513
R86-37	National Institute of General Medical Sciences.....	7,358	0	7,358
R86-38	National Institute of Child Health and Human Development..	1,150	0	1,150

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY Original Rescission	Sequester	Current Rescission
R86-39	National Eye Institute.....	5,224	0	5,224
R86-40	National Institute on Aging....	2,679	0	2,679
R86-41	Office of the Director.....	23,055	0	23,055
	Alcohol, Drug Abuse, and Mental Health Administration			
R86-42	Alcohol, drug abuse, and mental health.....	39,718	0	39,718
	Health Care Financing Administration			
R86-43	Program management.....	912	0	912
	Social Security Administration			
R86-44	Refugee and entrant assistance.	87,551	0	87,551
	Human Development Services			
R86-45	Human development services.....	29,980	0	29,980
R86-46	Family social services.....	6,157	0	6,157
R86-47	Work incentives.....	55,000	9,116	45,884
R86-48	Community services block grant.	182,139	0	182,139
R86-49	Community development credit union revolving fund.....	2,529	0	2,529
	Departmental Management			
R86-50	General Departmental management	19,619	0	19,619
R86-51	Policy research.....	220	0	220
	Department of Housing and Urban Development			
	Housing Programs			
R86-52	Subsidized housing programs....	4,416,131	0	4,416,131
R86-53	Congregate services program....	2,555	0	2,555
R86-54	Housing counseling assistance..	3,313	0	3,313
	Community Planning and Development			
R86-55	Urban development action grants	220,062	0	220,062
	Department of the Interior			
	Bureau of Land Management			
R86-56	Land acquisition.....	3,000	0	3,000
	United States Fish and Wildlife Service			
R86-57	Land acquisition.....	4,951	0	4,951
	National Park Service			
R86-58	Construction.....	13,613	0	13,613
R86-59	Land acquisition.....	83,917	0	83,917
R86-60	Historic preservation fund.....	18,523	0	18,523
	Department of Justice			
	Federal Prison System			
R86-61	National Institute of Corrections.....	3,315	0	3,315
	Office of Justice Programs			
R86-62	Justice assistance.....	140,393	5,727	134,666

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY Original Rescission	Sequester	Current Rescission
	Department of Labor			
	Employment and Training Administration			
R86-63	Training and employment services	534,786	118,749	416,037
	Department of Transportation			
	Federal Railroad Administration			
R86-64	Rail service assistance.....	15,000	645	14,355
R86-65	Northeast corridor improvement program.....	12,500	538	11,962
R86-66	Railroad rehabilitation and improvement financing funds...	33,500	1,441	32,059
	Urban Mass Transportation Administration			
R86-67	Discretionary grants.....	521,275	0	521,275
	Department of the Treasury			
	Office of Revenue Sharing			
R86-68	Payments to State and local government fiscal assistance trust fund.....	759,975	0	759,975
	Federal Law Enforcement Training Center			
R86-69	Salaries and expenses.....	4,976	0	4,976
	United States Customs Service			
R86-70	Salaries and expenses.....	4,169	0	4,169
R86-71	Operation and maintenance, air interdiction program.....	19,275	0	19,275
	National Atmospheric and Space Administration			
R86-72	Research and development.....	26,796	0	26,796
	Office of Personnel Management			
R86-73	Government payment for annuitants, employees health benefits.....	600,000	0	600,000
R86-73	Employees health benefits fund.	0	0	0
	Other Independent Agencies			
	Appalachian Regional Commission			
R86-74	Appalachian regional development programs.....	81,000	0	81,000
R86-75	Corporation for Public Broadcasting			
	Public broadcasting fund.....	44,000	0	44,000
	National Endowment for the			

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

RESCISSION NUMBER	ITEM	BUDGET AUTHORITY Original Rescission	Sequester	Current Rescission
	Humanities			
R86-76	Grants and administration.....	1,903	0	1,903
	State Justice Institute.....			
R86-78	Salaries and expenses.....	7,656	0	7,656
	United States Railway Association			
R86-79	Administrative expenses.....	640	0	640

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

DEFERRAL NUMBER	ITEM	BUDGET AUTHORITY
	Funds Appropriated to the President	
	International Security Assistance	
D86-32	Foreign military sales credit..	4,590,000
D86-24A	Economic support fund.....	3,158,276
D86-33	Military assistance program....	661,350
D86-34	International military education and training.....	27,245
	Multilateral Development Banks	
D86-35	Contribution to the special facility for sub-saharan Africa	75,000
	Department of Commerce	
	Economic Development Administration	
D86-36	Economic development assistance programs.....	40,000
	National Oceanic and Atmospheric Administration	
D86-25A	Fisheries loan fund.....	2,297
	Department of Defense - Military	
D86-4A	Military construction.....	1,841,658
D86-27A	Family housing.....	221,842
	Department of Defense - Civil	
	Wildlife Conservation, Military Reservations	
D86-5A	Wildlife conservation.....	1,256
	Department of Energy	
	Energy Programs	
D86-38	Energy supply, research and development activities.....	65,763
D86-58	Uranium supply and enrichment activities.....	584,158
D86-6A	Fossil energy research and development.....	64,812
D86-8A	Naval petroleum and oil shale reserves.....	166,466
D86-37	Strategic petroleum reserve....	197,941
D86-10A	SPR petroleum account.....	577,534
D86-11A	Alternative fuels production...	1,899
	Power Marketing Administration	
D86-13A	Southwestern Power Administration, Operation and maintenance.....	13,243
	Department of Health and Human Services	
	Health Care Financing Administration	
D86-57	Program management.....	8,489
	Social Security Administration	

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

DEFERRAL NUMBER	ITEM	BUDGET AUTHORITY
D86-28A	Limitation on administrative expenses (construction).....	6,647
D86-39	Limitation on administrative expenses (excludes disability determination services).....	30,000
D86-40	Limitation on administrative expenses (information technology systems).....	114,641
	Department of Housing and Urban Development	
	Housing Programs	
D86-41	Annual contributions for assisted housing - budget authority....	7,032,443
D86-42	Annual contributions for assisted housing - contract authority..	641
D86-43	Rental housing development grants.....	77,400
D86-44	Congregate services program....	2,670
D86-45	Housing for the elderly or handicapped fund.....	599,801
D86-46	Nonprofit sponsor assistance...	1,000
	Community Planning and Development	
D86-47	Rental rehabilitation grants program.....	77,000
D86-48	Community development grants...	500,000
D86-49	Urban development action grants	251,000
D86-50	Rehabilitation loan fund.....	135,535
	Department of Labor	
	Employment and Training Administration	
D86-51	State unemployment insurance and employment service operation.....	37,000
	Department of Justice	
	Federal Prison System	
D86-17A	Buildings and facilities.....	30,739
	Office of Justice Programs	
D86-18A	Crime victims fund.....	103,396
	Department of Transportation	
	Federal Railroad Administration	
D86-52	Conrail labor protection.....	4,565
D86-29A	Federal Aviation Administration	
	Facilities and equipment (Airport and airway trust fund)	1,368,162
	Maritime Administration	
D86-53	Operations and training.....	9,350

CONTENTS OF SPECIAL MESSAGE
as reported by the President
(in thousands of dollars)

DEFERRAL NUMBER	ITEM	BUDGET AUTHORITY
	Department of the Treasury	
	Office of Revenue Sharing	
D86-30A	Local government fiscal assistance trust fund.....	105,226
	Other Independent Agencies	
	Commission on the Ukraine Famine	
D86-54	Salaries and expenses.....	233
	Railroad Retirement Board	
D86-55	Dual benefits payments account.	2,201
	United States Information Agency	
D86-56	Acquisition and construction of radio facilities.....	66,545

99th Congress, 2d Session - - - - - - - - - - - House Document 99-195

STATUS OF BUDGET AUTHORITY

COMMUNICATION

FROM

THE COMPTROLLER GENERAL OF THE UNITED STATES

TRANSMITTING

A REPORT ON THE STATUS OF BUDGET AUTHORITY MADE AVAILABLE TO THE MARITIME ADMINISTRATION AND DEFERRED BY THE PRESIDENT IN HIS MESSAGE DATED FEBRUARY 4, 1986 (H. DOC. 99-161), PURSUANT TO 2 U.S.C. 685

APRIL 10, 1986.—Referred to the Committee on Appropriations and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE
71-012 O WASHINGTON : 1986

H180-27

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, DC, April 8, 1986.

B-220532.

Hon. THOMAS P. O'NEILL, Jr.,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: This is to advise you of the status of budget authority made available to the Maritime Administration [MarAd] for the acquisition and preconversion costs of a replacement training vessel for the State University of New York. This budget authority, which we held was being improperly withheld, has now been made available for obligation.

In his third special message for fiscal year 1986, dated February 5, 1986, the President announced a deferral which included $8.5 million appropriated for the training vessel. Although the Congress had expressly disapproved a previous deferral of the $8.5 million, the President provided no substantial new basis justifying the reimpoundment. In our report of March 11, 1986, GAO/OGC-86-6, we concluded that the deferral was not permitted under the Impoundment Control Act (the Act), 2 U.S.C. § 681. We advised the Congress, on March 27, 1986, that we contemplated bringing a civil action under section 1016 of the Act, 2 U.S.C. § 687, to compel release of these funds. GAO/OGC-86-8.

By letter of March 28, 1986, the General Counsel of the Department of Transportation informed us that the $8.5 million has been made available for obligation. Accordingly, action under section 1016 is not necessary.

Sincerely yours,

MILTON J. SOCOLAR,
Acting Comptroller General
of the United States.

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